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DEVELOPMENT OF HUMAN RESOURCES FOR INDUSTRY

Report by the Director-General

Reports on the implementation of General Conference resolution GC.7/Res.3

1. In resolution GC.7/Res.3, the General Conference emphasized the importance of the human dimension in development, in particular in industrial development projects, and noted the increasing demand from developing countries for capacity-building in human resources development. The resolution highlighted aspects of industrial human resources development (IHRD) related to: (a) a clearer definition of the IHRD concept of UNIDO within the context of the Business Plan; (b) integration of the services of industrial training institutions into UNIDO activities; and (c) programmes of South-South cooperation in human resources development.

2. UNIDO defines industrial human resource development as a dynamic process providing sustainable opportunities for men and women in accordance with their

aspirations and talents to acquire knowledge, skills, attitudes and know-how which can be applied in favourable and equitable conditions of employment or self-employment to accelerate industrialization for their economic and social benefit and that of their community.

3. All UNIDO service modules address capacity-building and effectively incorporate elements of IHRD. This mainstreaming approach allows IHRD, wherever relevant, to become an integral part of all UNIDO's industrial support service activities. The full response and impact of the holistic definition and approach provided above will be realized during the implementation of the recently-developed UNIDO integrated programmes of assistance. The explicit incorporation of gender-specific issues and elements into each of the service modules is planned.

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4. Among the integrated programmes developed to date are examples of the integration of services of industrial training institutions, particularly in Africa. UNIDO will support an existing training centre for leather products development in Uganda. A project recently approved by the Executive Board will provide support to upgrade equipment and training services for the Theka Centre, which serves the whole of East Africa. In the United Republic of Tanzania, a technology diffusion centre will function as a demonstration centre for food processing and for providing advisory services to small- and medium-scale entrepreneurs, with a strong emphasis on promotion of female entrepreneurship.

5. Elements of South-South cooperation within the framework of IHRD are also featured in UNIDO activities. A project recently developed for an Asia-Africa Investment Promotion Centre to promote cooperation between the two regions would include seminars and workshops among its activities. Training by Indian specialists is foreseen as part of a project now being formulated on technology transfer to Africa, to be partly financed by India.

6. In response to the mandates of the Business Plan calling for the focusing and integration of UNIDO services while at the same time reducing the dispersion of UNIDO activities, stand-alone training—with its limited impact and low cost-effectiveness—continues to be de-emphasized and the staff formerly responsible for those activities have been assigned to other technical units to facilitate an Organization-wide response to the requirements of IHRD.

7. Currently, UNIDO programmes address the following aspects of IHRD: industrial employment and related manpower development, with particular emphasis on the demand side of industry (as interpreted by UNIDO-assisted industrial support institutions), and technology

development and its integration in industrial organizations and management. Programmes that directly address the social dimensions of IHRD in terms of health, welfare and living/working conditions are addressed by the International Labour Organization, the regional economic commissions (in particular the Economic and Social Commission for Asia and the Pacific) and the World Health Organization.

8. The Secretariat is of the view that IHRD is a subject worthy of systematic analysis and study in its own right and that a high-level research capacity needs to be established at UNIDO to specifically address policy-level IHRD issues. This is important for three reasons. When social agenda issues are discussed in international forums, UNIDO needs to be in a position to demonstrate how the industrial dimension of HRD contributes to poverty reduction and social integration, and to disseminate lessons learned in that connection. The results of IHRD research are also required to update the IHRD policy and strategy advice given by the Organization to its Member States. Finally, research findings will need to be continuously introduced into the service modules to improve the Organization's IHRD performance when implementing integrated programmes. This would, *inter alia*, require the continuous analysis of UNIDO's integrated programmes and related IHRD interventions to increase the capacities of government, institutions, associations and enterprises.

9. The Secretariat can only establish this critically important research function if additional resources are made available.

ACTION REQUIRED OF THE BOARD

10. The Board may wish to take note of the information contained in the present document.